

STEPHEN P. BLAKE (SBN 260069)
SIMPSON THACHER & BARTLETT LLP
2475 Hanover Street
Palo Alto, CA 94304
Telephone: (650) 251-5000
Facsimile: (650) 251-5002
Email: sblake@stblaw.com

JONATHAN K. YOUNGWOOD
(*pro hac vice*)
NICHOLAS S. GOLDIN
(*pro hac vice*)
SIMPSON THACHER & BARTLETT LLP
425 Lexington Avenue
New York, NY 10017
Telephone: (212) 455-2000
Facsimile: (212) 455-2502
Email: jyoungwood@stblaw.com
ngoldin@stblaw.com

Attorneys for Director Defendants

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

IN RE PG&E CORPORATION SECURITIES
LITIGATION

) Case No. 5:18-cv-03509-EJD

)
) **DIRECTOR DEFENDANTS'**
) **SUPPLEMENTAL STATUS**
) **CONFERENCE STATEMENT**

) Judge: Hon. Edward J. Davila

) Date: July 11, 2024
) Time: 10:00 a.m.

1 The Director Defendants¹ make this supplemental submission to respond in brief to
 2 one specific point raised in the July 9, 2024 Status Conference Statement filed by the BLA
 3 Schwartz Clients. *See* Dkt. No. 269. The BLA Schwarz Clients’ suggestion that “the putative class
 4 here remains over 292,000 members strong” (*id.* at 3:9) is wholly unfounded. As set forth in
 5 Defendants’ portion of the parties’ June 28, 2024 Joint Status Report (*see* Dkt. No. 267 at 12:21-
 6 14:2), there is no reason to believe that any putative class members did not file a proof of claim in
 7 the bankruptcy, pursuant to the claims notice procedures that ***Lead Plaintiff participated in.***

8 As required by the procedures adopted in the Bankruptcy Proceeding, PG&E sent
 9 notice to more than 300,000 ***holders*** of PG&E securities based on shareholder lists of securities
 10 holders as of fixed dates regarding the timing pursuant to which they could file a proof of claim
 11 against PG&E in the Bankruptcy Proceeding—assuming they had a claim. *See* ECF 195 at 1:23-
 12 26. But as counsel for the BLA Schwartz Clients undoubtedly knows, the number of holders is
 13 vastly greater than the number of potential claimants, who would, for example, have had to ***trade***
 14 PG&E securities during the purported class period to have a viable securities claim.

15 PG&E securities holders were first informed of their right to submit a claim in July
 16 2019.² PG&E provided notice via “[d]irect mail[,], [e]mail[,], [p]aid advertising via TV, radio, print,
 17 online and social media[,], [d]edicated claim service centers[,], and [c]ompany news releases.”³ And
 18
 19

20 ¹ The Director Defendants are Barbara L. Rambo, Lewis Chew, Fred J. Fowler, Richard C. Kelly,
 21 Roger H. Kimmel, Richard A. Meserve, Forrest E. Miller, Maryellen C. Herringer, Barry Lawson
 22 Williams, Rosendo G. Parra, Anne Shen Smith and Eric D. Mullins.

23 ² *See* [https://investor.pgecorp.com/news-events/press-releases/press-release-details/2019/PGE-](https://investor.pgecorp.com/news-events/press-releases/press-release-details/2019/PGE-Begins-Notifying-Stakeholders-of-Bar-Date-Deadline-and-Process-for-Filing-Claims/default.aspx)
 24 [Begins-Notifying-Stakeholders-of-Bar-Date-Deadline-and-Process-for-Filing-Claims/default.aspx](https://investor.pgecorp.com/news-events/press-releases/press-release-details/2019/PGE-Begins-Notifying-Stakeholders-of-Bar-Date-Deadline-and-Process-for-Filing-Claims/default.aspx),
 25 “PG&E Begins Notifying Stakeholders of Bar Date Deadline and Process for Filing Claims,”
 26 PG&E Corporation (Jul. 9, 2019).

27 ³ *Id.*
 28

1 when the securities claims bar date was extended to April 16, 2020, PG&E securities holders were
2 once again provided notice of their right to file a claim.⁴

3 Against this backdrop, the BLA Schwarz Clients’ contention that there are “292,000
4 members” of the putative class is baseless. There were roughly 300,000 holders of PG&E
5 securities, not 300,000 entities or individuals that had a securities claim. Indeed, the number of
6 persons who had a claim cannot be determined based on the number of holders of PG&E securities
7 who received notices. More importantly, there is nothing to suggest that there are any potential
8 class members in this Court who did not file a claim in the bankruptcy. The best (and only)
9 evidence of the members (and therefore the size) of the putative class in this Court are those who
10 filed proofs of claim in response to the robust notice approved by the Bankruptcy Court. Indeed,
11 the process PG&E went through in the Bankruptcy Proceeding mirrors the process in a district
12 court in the event of a class settlement or judgment, with only those who file a claim participating
13 in any recovery, and, as previously explained, Lead Plaintiff itself participated in that notice
14 process. *See* Dkt. No. 267 (Joint Status Report) at 10:15-11:1, 11 n.14, 15:16-19.

15 Simply put, there is no basis to believe that there is a material number of additional
16 putative class members who failed to participate in the Bankruptcy Proceeding but would
17 participate now—several years after receiving PG&E’s explicit notices.⁵

23 ⁴ *See* Order Denying (I) Denying Securities Lead Plaintiff’s Motion To Apply Bankruptcy Rule
24 7023 to Class Proof Of Claim and (II) Extending Bar Date for Certain Holders of Securities,
25 Bankruptcy Case No. 19-30088, February 27, 2020 [Doc. No. 5943].

26 ⁵ The BLA Schwartz Clients’ arguments regarding the applicability of the PSLRA to PG&E’s
27 claim objections and whether a judgment there would bar claims in this Court are likewise wrong.
28 Defendants are prepared to file supplemental briefing on these issues if it would assist the Court.

1 Date: July 10, 2024

Respectfully submitted,

2 SIMPSON THACHER & BARTLETT LLP

3 /s/ Stephen P. Blake

4 Stephen P. Blake (SBN 260069)

5 2475 Hanover Street

6 Palo Alto, CA 94304

7 Telephone: (650) 251-5000

8 Facsimile: (650) 251-5002

9 Email: sblake@stblaw.com

Jonathan K. Youngwood (admitted *pro hac*
vice)

Nicholas S. Goldin (admitted *pro hac vice*)

10 425 Lexington Avenue

11 New York, NY 10017

12 Telephone: (212) 455-2000

13 Facsimile: (212) 455-2502

14 Email: jyoungwood@stblaw.com

15 ngoldin@stblaw.com

Attorneys for Director Defendants Barbara L.
Rambo, Lewis Chew, Fred J. Fowler, Richard
C. Kelly, Roger H. Kimmel, Richard A.
Meserve, Forrest E. Miller, Maryellen C.
Herringer, Barry Lawson Williams, Rosendo G.
Parra, Anne Shen Smith and Eric D. Mullins